

# AUDITOR/CONTROLLER-RECORDER

## Larry Walker

### MISSION STATEMENT

#### Office of the Auditor/Controller-Recorder

The mission of the Auditor/Controller-Recorder is to provide superior accounting, auditing and recording services in accordance with legal requirements and professional standards. We will perform these functions with objectivity, integrity and independence, and with constant attention to the needs of our customers and the taxpayers.

#### Our Taxpayers

We are committed to spending taxpayer dollars wisely. To this end, we are dedicated to providing our services in a cost-effective, efficient manner by taking advantage of innovation and new technology. We will promote sound financial management throughout County government and will perform budgetary control as required by law.

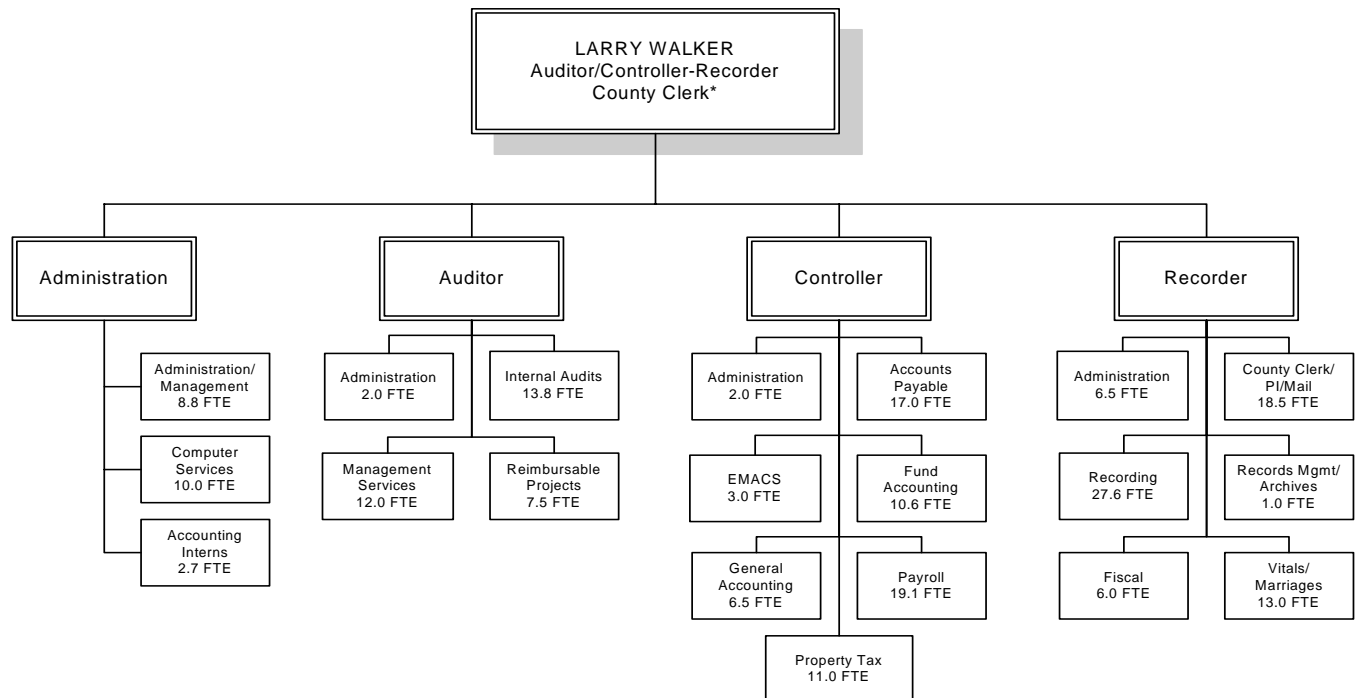
#### Our Customers

We are committed to providing a high level of quality services to our customers. We will be sensitive and responsive to our customers' needs and expectations. We will be accurate, thorough and timely in the performance of our duties and will treat our customers in a professional manner with courtesy and respect.

#### Our Employees

We are committed to providing our employees with a safe, comfortable working environment in an atmosphere of mutual respect, cooperation and non-discrimination. We will hire and train competent, knowledgeable individuals with backgrounds that will complement and enhance the abilities of our workforce and we will provide opportunities for continued professional growth and advancement. We recognize, value, and support the efforts and ideas of our employees and will provide the information and resources necessary to accomplish the goals of this organization.

### ORGANIZATIONAL CHART



Auditor/Controller-Recorder/County Clerk - 2.0 FTE



**SUMMARY OF BUDGET UNITS**

|                              | 2004-05                         |            |            |                 |                                 |          |
|------------------------------|---------------------------------|------------|------------|-----------------|---------------------------------|----------|
|                              | Operating Exp/<br>Appropriation | Revenue    | Local Cost | Fund<br>Balance | Revenue<br>Over/<br>(Under) Exp | Staffing |
| Auditor/Controlller-Recorder | 14,647,191                      | 12,278,194 | 2,368,997  |                 |                                 | 191.6    |
| Micrographics                | 418,807                         |            |            | 418,808         |                                 | -        |
| System Development           | 15,738,417                      | 5,000,000  |            | 10,738,417      |                                 | 7.0      |
| Vital Records                | 457,244                         | 118,000    |            | 339,244         |                                 | -        |
| Records Management           | 146,009                         | 173,349    |            |                 | 27,340                          | 1.0      |
| TOTAL                        | 31,407,668                      | 17,569,543 | 2,368,997  | 11,496,469      | 27,340                          | 199.6    |

**Auditor-Controller/Recorder****DESCRIPTION OF MAJOR SERVICES**

The Office of the Auditor/Controller-Recorder and County Clerk is responsible for providing a variety of accounting and document recording services. The Auditor and Controller Divisions record the collections, and perform the disbursements and audits of all county financial activities to ensure sound financial management. In addition, it is responsible for personnel payroll services, developing and implementing accounting systems, and administering the countywide cost allocation plan. The Recorder Division is responsible for accepting all documents for recording that comply with applicable recording laws, producing and maintaining official records relating to documents evidencing ownership and encumbrances of real and personal property and other miscellaneous records. The Recorder Division is also responsible for County Archives and County Clerk functions. County Archives maintains historical records relating to vital statistics, fictitious business names, and other entities required by the State to register with the County Clerk.

The Auditor/Controller-Recorder's Office is supportive of San Bernardino County's Mission, Vision and Values Statement. The role of this office is to ensure the safety and integrity of the County's finances and records. The Auditor/Controller-Recorder promotes trustworthiness in county government by maintaining and providing access to public records. The Auditor/Controller-Recorder supports the economy of the County by issuing payroll, vendor payments, and property tax allocations in a timely and efficient manner. The Auditor/Controller-Recorder offers a high level of customer service in a very cost-effective manner.

**BUDGET AND WORKLOAD HISTORY**

|                      | Actual<br>2002-03 | Budget<br>2003-04 | Estimate<br>2003-04 | Proposed<br>2004-05 |
|----------------------|-------------------|-------------------|---------------------|---------------------|
| Total Appropriation  | 11,894,771        | 12,494,542        | 11,869,671          | 14,647,191          |
| Departmental Revenue | 12,560,881        | 9,689,972         | 13,549,927          | 12,278,194          |
| Local Cost           | (666,110)         | 2,804,570         | (1,680,256)         | 2,368,997           |
| Budgeted Staffing    |                   | 181.6             |                     | 191.6               |

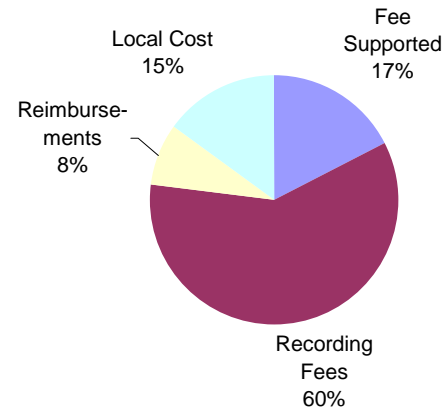
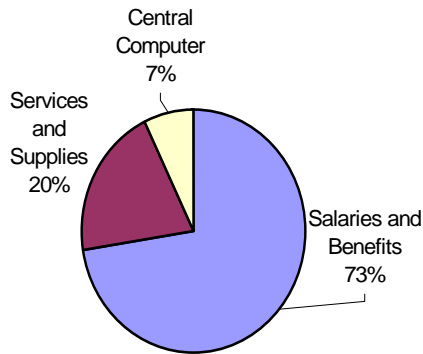
**Workload Indicators**

|                                  |         |         |         |         |
|----------------------------------|---------|---------|---------|---------|
| Marriage ceremonies performed    | 3,289   | 2,950   | 3,300   | 3,500   |
| Notary bonds filed               | 2,721   | 2,400   | 2,800   | 2,900   |
| Fund transfers processed         | 21,047  | 21,000  | 21,100  | 21,200  |
| Deposits processed               | 12,870  | 12,500  | 12,700  | 12,750  |
| Warrants issued and audited      | 370,903 | 330,000 | 330,000 | 330,000 |
| Payroll direct deposits          | 482,145 | 481,600 | 464,400 | 464,400 |
| Payroll warrants issued          | 29,526  | 29,900  | 24,100  | 24,100  |
| Property tax refunds/corrections | 36,131  | 64,700  | 68,500  | 70,000  |
| Legal documents recorded         | 860,496 | 720,000 | 870,000 | 800,000 |
| Audits preformed                 | 85      | 76      | 77      | 77      |
| Marriage licenses issued         | 9,870   | 9,200   | 10,200  | 10,900  |
| Fictitious business names filed  | 15,941  | 15,105  | 16,000  | 16,400  |
| Birth certificates issued        | 53,237  | 50,430  | 46,000  | 47,000  |
| Marriage certificates issued     | 17,772  | 16,950  | 18,000  | 18,200  |
| Death certificates issued        | 8,211   | 8,000   | 6,000   | 6,300   |



## 2004-05 BREAKDOWN BY EXPENDITURE AUTHORITY

## 2004-05 BREAKDOWN BY FINANCING SOURCE



GROUP: Fiscal  
DEPARTMENT: Auditor/Controller-Recorder  
FUND: General

BUDGET UNIT: AAA ACR  
FUNCTION: General  
ACTIVITY: Finance

## ANALYSIS OF 2004-05 BUDGET

|                             | A                                | B                       | C   | D  | E  | B+C+D+E<br>F                        | G  | F+G<br>H                      |
|-----------------------------|----------------------------------|-------------------------|---|--|--|-------------------------------------|--|-------------------------------|
|                             | 2003-04<br>Year-End<br>Estimates | 2003-04<br>Final Budget | Cost to Maintain<br>Current Program<br>Services<br>(Schedule A) | Board<br>Approved<br>Adjustments<br>(Schedule A) | Impacts<br>Due to State<br>Budget Cuts<br>(Schedule B) | Board<br>Approved<br>Base<br>Budget | Department<br>Recommended<br>Funded<br>Adjustments<br>(Schedule C) | 2004-05<br>Proposed<br>Budget |
| <b>Appropriation</b>        |                                  |                         |   |  |  |                                     |  |                               |
| Salaries and Benefits       | 9,656,393                        | 10,280,525              | 648,444   | 359,629  | -  | 11,288,598                          | 212,202  | 11,500,800                    |
| Services and Supplies       | 2,056,036                        | 2,056,775               | 309,457   | 694,141  | -  | 3,060,373                           | 138,003  | 3,198,376                     |
| Central Computer            | 872,222                          | 872,222                 | 287,348   | -  | -  | 1,159,570                           | -  | 1,159,570                     |
| Improve to Struct           | -                                | -                       | -   | -  | -  | -                                   | 31,004   | 31,004                        |
| Transfers                   | 83,402                           | 83,402                  | -   | -  | -  | 83,402                              | (48,784)   | 34,618                        |
| Total Exp Authority         | 12,668,053                       | 13,292,924              | 1,245,249   | 1,053,770  | -  | 15,591,943                          | 332,425  | 15,924,368                    |
| Reimbursements              | (798,382)                        | (798,382)               | -   | (254,994)  | -  | (1,053,376)                         | (223,801)  | (1,277,177)                   |
| Total Appropriation         | 11,869,671                       | 12,494,542              | 1,245,249   | 798,776  | -  | 14,538,567                          | 108,624  | 14,647,191                    |
| <b>Departmental Revenue</b> |                                  |                         |   |  |  |                                     |  |                               |
| Licenses and Permits        | 407,622                          | 365,000                 | -   | -  | -  | 365,000                             | 50,000   | 415,000                       |
| State, Fed or Gov't Aid     | 53,579                           | 43,472                  | -   | -  | -  | 43,472                              | 11,123   | 54,595                        |
| Current Services            | 13,017,236                       | 9,223,500               | 45,000  | 798,776  | 237,443  | 10,304,719                          | 1,426,280  | 11,730,999                    |
| Other Revenue               | 71,490                           | 58,000                  | -   | -  | -  | 58,000                              | 19,600   | 77,600                        |
| Total Revenue               | 13,549,927                       | 9,689,972               | 45,000  | 798,776  | 237,443  | 10,771,191                          | 1,507,003  | 12,278,194                    |
| Local Cost                  | (1,680,256)                      | 2,804,570               | 1,200,249   | -  | (237,443)  | 3,767,376                           | (1,398,379)  | 2,368,997                     |
| Budgeted Staffing           |                                  | 181.6                   | -   | 10.0   | -  | 191.6                               | -  | 191.6                         |



DEPARTMENT: Auditor/Controller-Recorder  
 FUND: General  
 BUDGET UNIT: AAA ACR

## SCHEDULE A

## MAJOR CHANGES TO THE BUDGET

|  | Budgeted<br>Staffing | Appropriation     | Departmental<br>Revenue | Local Cost         |
|--|----------------------|-------------------|-------------------------|--------------------|
| <b>2003-04 FINAL BUDGET</b>                      | <b>181.6</b>         | <b>12,494,542</b> | <b>9,689,972</b>        | <b>2,804,570</b>   |
| <b>Cost to Maintain Current Program Services</b> |                      |                   |                         |                    |
| Salaries and Benefits Adjustments                | -                    | 648,444           | -                       | 648,444            |
| Internal Service Fund Adjustments                | -                    | 596,805           | -                       | 596,805            |
| Prop 172   | -                    | -                 | -                       | -                  |
| Other Required Adjustments                       | -                    | -                 | 45,000                  | (45,000)           |
| <b>Subtotal</b>                                  | <b>-</b>             | <b>1,245,249</b>  | <b>45,000</b>           | <b>1,200,249</b>   |
| <b>Board Approved Adjustments During 2003-04</b> |                      |                   |                         |                    |
| 30% Spend Down Plan                              | -                    | -                 | -                       | -                  |
| Mid-Year Board Items                             | 10.0                 | 798,776           | 798,776                 | -                  |
| <b>Subtotal</b>                                  | <b>10.0</b>          | <b>798,776</b>    | <b>798,776</b>          | <b>-</b>           |
| <b>Impacts Due to State Budget Cuts</b>          | <b>-</b>             | <b>-</b>          | <b>237,443</b>          | <b>(237,443)</b>   |
| <b>TOTAL BASE BUDGET</b>                         | <b>191.6</b>         | <b>14,538,567</b> | <b>10,771,191</b>       | <b>3,767,376</b>   |
| <b>Department Recommended Funded Adjustments</b> | <b>-</b>             | <b>108,624</b>    | <b>1,507,003</b>        | <b>(1,398,379)</b> |
| <b>TOTAL 2004-05 PROPOSED BUDGET</b>             | <b>191.6</b>         | <b>14,647,191</b> | <b>12,278,194</b>       | <b>2,368,997</b>   |

## SCHEDULE B

DEPARTMENT: Auditor/Controller-Recorder  
 FUND: General  
 BUDGET UNIT: AAA ACR

## IMPACTS DUE TO STATE BUDGET CUTS

| Brief Description of State Budget Cuts  | Budgeted<br>Staffing | Appropriation | Departmental<br>Revenue | Local Cost       |
|---|----------------------|---------------|-------------------------|------------------|
| Increased revenue in the recording of documents - Current Services  | -                    | -             | 237,443                 | (237,443)        |
| The reduction to local cost has been met with additional revenue, primarily from the high volume of documents recorded. |                      |               |                         |                  |
| <b>Total</b>  | <b>-</b>             | <b>-</b>      | <b>237,443</b>          | <b>(237,443)</b> |



## SCHEDULE C

DEPARTMENT: Auditor/Controller-Recorder  
 FUND: General  
 BUDGET UNIT: AAA ACR

## DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

| Brief Description of Program Adjustment   | Budgeted<br>Staffing | Appropriation  | Departmental<br>Revenue | Local Cost         |
|---|----------------------|----------------|-------------------------|--------------------|
| 1. Salaries and Benefits<br>Salaries and Benefits increase due to step increases, benefit changes and the transfer 1.0 Records Management (IRM) Supervisor from IRM to Auditor/Controller-Recorder (ACR). By moving this position to ACR allows it to be managed more effectively. The position was offset by a reduction of 1.0 Fiscal Clerk I position. | -                    | 212,202        | -                       | 212,202            |
| 2. Services and Supplies<br>Services and Supplies increase due to ISF charges and Board approved contract with Vavrinek, Trine, Day and Company for increased number of audits.   | -                    | 138,003        | -                       | 138,003            |
| 3. Improvement to Structures<br>Improvement to Structures increase due to security upgrade to cameras per Sheriff's report.   | -                    | 31,004         | -                       | 31,004             |
| 4. Transfers<br>Transfers decrease due to moving 1.0 position from IRM to ACR. In 2003-04 this position was budgeted in IRM and paid for by an operating transfer from ACR to IRM. This position is managed more effectively by moving the position to Auditor/Controller-Recorder.   | -                    | (48,784)       | -                       | (48,784)           |
| 5. Reimbursements<br>Reimbursements increase due to funding more recording positions from Systems Development (SDW) budget unit.  | -                    | (223,801)      | -                       | (223,801)          |
| 6. License Revenue<br>Projected increase in marriage license revenue.   | -                    | -              | 50,000                  | (50,000)           |
| 7. State and Federal Revenue<br>Penal Code 4750 revenues expected to increase by \$5,500. Federal Emergency Management Agency (FEMA) increase of \$5,623 in revenue due to the fires.   | -                    | -              | 11,123                  | (11,123)           |
| 8. Current Services Revenue<br>Increase of \$1,552,280 due to high volume of documents recorded. Decrease of \$126,000 due to Court MOU revenue per 90 day letter. The Courts no longer need services from the Auditor/Controller-Recorder for fund accounting and accounts payable services.   | -                    | -              | 1,426,280               | (1,426,280)        |
| 9. Other Revenue<br>Increase in other revenue due to greater requests for special tax reports.  | -                    | -              | 19,600                  | (19,600)           |
| <b>Total</b>  | <b>-</b>             | <b>108,624</b> | <b>1,507,003</b>        | <b>(1,398,379)</b> |

## SCHEDULE E

DEPARTMENT: Auditor/Controller-Recorder  
 FUND: General  
 BUDGET UNIT: AAA ACR

## FEE REQUEST SUMMARY

| Brief Description of Fee Request  | Budgeted<br>Staffing | Appropriation | Departmental<br>Revenue | Local Cost       |
|---|----------------------|---------------|-------------------------|------------------|
| Accounting fees -- 16.023A<br>The uniform rate is based upon cost accounting from the 2004/05 COWCAP. | -                    | -             | 31,368                  | (31,368)         |
| Recorded or filed documents -- various<br>Rates to be comparable to benchmark counties.               | -                    | -             | 113,306                 | (113,306)        |
| Marriage Ceremony and other marriage fees - 16.023A<br>Rates to be comparable to benchmark counties.  | -                    | -             | 63,300                  | (63,300)         |
| <b>Total</b>  | <b>-</b>             | <b>-</b>      | <b>207,974</b>          | <b>(207,974)</b> |

